



BILLING CODE 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 19-37]

Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense.

ACTION: Arms sales notice.

SUMMARY: The Department of Defense is publishing the unclassified text of an arms sales notification.

FOR FURTHER INFORMATION CONTACT: Karma Job at karma.d.job.civ@mail.mil or (703) 697-8976.

SUPPLEMENTARY INFORMATION: This 36(b)(1) arms sales notification is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996. The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 19-37 with attached Policy Justification and Sensitivity of Technology.

Dated: June 11, 2019.

Aaron T. Siegel,

Alternate OSD Federal Register Liaison Officer,

Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY
201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-6408

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
H-209, The Capitol
Washington, DC 20515

MAY 03 2016

Dear Madam Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 19-37 concerning the Army's proposed Letter(s) of Offer and Acceptance to the Government of the United Arab Emirates for defense articles and services estimated to cost \$2.728 billion. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,



Charles W. Hooper
Lieutenant General, USA
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology
4. Regional Balance (Classified document provided under separate cover)

Transmittal No. 19-37

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act, as amended

(i) Prospective Purchaser: Government of the United Arab Emirates

(ii) Total Estimated Value:

Major Defense Equipment*	\$2.700 billion
Other	<u>\$.028 billion</u>
TOTAL	\$2.728 billion

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:

Major Defense Equipment (MDE):

Up to four hundred fifty-two (452) Patriot Advanced Capability 3 (PAC-3) Missiles Segment Enhanced (MSE)

Non-MDE:

Also included are tools and test equipment, support equipment, publications and technical documentation, personnel training and training equipment, spare and repair parts, facility design, U.S. Government and contractor technical, engineering, and logistics support services, and other related elements of logistics, sustainment and program support.

(iv) Military Department: Army (AE-B-ZUT)

(v) Prior Related Cases, if any: AE-B-ZUG

(vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None

(vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached Annex

(viii) Date Report Delivered to Congress: May 3, 2019

*As defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

United Arab Emirates (UAE) – Patriot Missile System and Related Support Equipment

The Government of the United Arab Emirates has requested to buy up to four hundred fifty-two (452) Patriot Advanced Capability 3 (PAC-3) Missiles Segment Enhanced (MSE). Also included are tools and test equipment, support equipment, publications and technical documentation, personnel training and training equipment, spare and repair parts, facility design, U.S. Government and contractor technical, engineering, and logistics support services, and other related elements of logistics, sustainment and program support. The estimated cost is \$2.728 billion.

This proposed sale will support the foreign policy and national security of the United States by helping to improve the security of an important ally which has been, and continues to be, a force for political stability and economic progress in the Middle East. This sale is consistent with U.S. initiatives to provide key allies in the region with modern systems that will enhance interoperability with U.S. forces and increase security.

The proposed sale will enhance the UAE's capability to meet current and future aircraft and missile threats. The UAE will use the capability as a deterrent to regional threats and to strengthen its homeland defense. The UAE will have no difficulty absorbing these additional missiles into its armed forces.

The proposed sale of these missiles will not alter the basic military balance in the region.

The prime contractor for the PAC-3 System will be Raytheon Corporation, Andover, Massachusetts, and Lockheed-Martin, Dallas, Texas. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed program will require additional contractor representatives to travel to the UAE. It is not expected additional U.S. Government personnel will be required in country for an extended period of time.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

Transmittal No. 19-37

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act

Annex
Item No. vii

(vii) Sensitivity of Technology:

1. The PATRIOT Air Defense System contains classified CONFIDENTIAL hardware components, SECRET tactical software and critical/sensitive technology. The Patriot Advanced Capability -3 (PAC-3) Missile Segment Enhancement (MSE) hardware is classified CONFIDENTIAL and the associated launcher hardware is UNCLASSIFIED. The PAC-3 MSE is a high velocity, hit-to-kill, surface-to-air missile that provides critical air and missile defense by intercepting and destroying Tactical Ballistic Missiles (TBM), Air-Breathing Threats (ABT), cruise missiles, and Unmanned Aerial Systems (UAS).

2. The PAC-3 MSE sensitive/critical technology is primarily in the area of design and production know-how and primarily inherent in the design, development and/or manufacturing data related to certain components. The list of components is classified CONFIDENTIAL.

3. Information on system performance capabilities, effectiveness, survivability, missile seeker capabilities, select software/software documentation and test data are classified up to and including SECRET.

4. If a technologically advanced adversary were to obtain knowledge of the hardware and software elements, the information could be used to develop countermeasures or equivalent systems which might reduce system effectiveness or be used in the development of a system with similar or advanced capabilities.

5. A determination has been made that the Government of the UAE can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

6. All defense articles and services listed in this transmittal have been authorized for release and export to the United Arab Emirates.

[FR Doc. 2019-12667 Filed: 6/14/2019 8:45 am; Publication Date: 6/17/2019]